STATE OF KANSAS
NOTICE OF INTENTION TO DRILL

Must be approved by the K.C.C. five (5) days prior to commencing well

FOR KCC USE:

EFFECTIVE DATE: 8-16-93
DISTRICT#: 7
SGA?: Yes

Expected SPUD DATE: 08 14 93

Operator: License #: 30730
Name: HORIZONTAL DEV. & PROD., INC
Address: TOWN & COUNTRY VILL., SUITE #277
City/State/Zip: PALO ALTO CA. 94301
Contact Person: MIKE STERNBERG
Phone: 415-325-6980

CONTRACTOR: License #: 08241
Name: EMPHASIS OIL OPERATIONS

Well Drilled For: Well Class: Type Equipment:

XX Oil Enh Rec XX Infield XX Mud Rotary
Gas Storage Pool Ext. Air Rotary
OWAO Disposal Wildcat Cable
Seismic: # of Holes: Other

If OWAO: old well information as follows:
Operator:
Well Name:
Comp. Date: Old Total Depth

Directional, Deviated or Horizontal wellbore? yes XX no
If yes, true vertical depth:
Bottom Hole Location:

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101 et.seq.
It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office prior to spudding of well.
2. A copy of the approved notice of intent to drill shall be posted on each drilling rig:
3. The minimum amount of surface pipe as specified below shall be set by circulating cement to the top; in all cases surface pipe shall be set through all unconsolidated materials plus a minimum of 20 feet into the underlying formation
4. If the well is dry hole, an agreement between the operator and district office on plug length and placement is necessary prior to plugging:
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in:
6. IF AN ALTERNATE II COMPLETION, PRODUCTION PIPE SHALL BE CEMENTED FROM BELOW ANY USEABLE WATER TO SURFACE WITHIN (120) DAYS OF SPUD DATE. I N ALL CASES, NOTIFY DISTRICT OFFICE PRIOR TO ANY CEMENTING.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: 08/09/93
Signature of Operator or Agent: Marilyn E. XX
Title: AGENT

RECEIVED
KANSAS CORPORATION COMMISSION
Aug 10, 1993
Aug 10 1993

CONSERVATION DIVISION
WICHITA, KS

REMEMBER TO:
- File Drill Pit Application (form CDP-1) with intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hour prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed;
- Obtain written approval before disposing or injecting salt water.

Mail to: Conservation Division, 200 Colorado Derby Building, 202 W. First St., Wichita, Kansas 67202-1286.
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

PLAT OF ACREAGE ATTRIBUTABLE TO A WELL IN A PRORATED OR SPACED FIELD

If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field, complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API NO. 15: ____________________________ LOCATION OF WELL: COUNTY __________________
OPERATOR ____________________________ Section ______ feet from (South) / North Line of Section __________________
LEASE ________________________________ Section ______ feet from (East) / West line of section ______
WELL NUMBER ________________________ TWP. _______ RG _______
FIELD ________________________________

# ACRES ATTRIBUTABLE TO WELL _______ IS SECTION ______ REGULAR or ______ IRREGULAR
QTR/QTR/QTR/QTR OF ACREAGE _______ IF SECTION IS IRREGULAR, LOCATE WELL FROM

NEAREST CORNER BOUNDARY
Section corner used: ______NE ______NW ______SE ______SW

PLAT

(Show location of the well and shade attributable acreage for prorated or spaced wells.)

(Show footage to the nearest lease or unit boundary line.)

In plotting the proposed location of the well, you must show:

1) The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.;
2) the distance of the proposed drilling location from the section's south/north and east/west lines; and
3) the distance to the nearest lease or unit boundary line.